4/29/98

Re: **MARLIN Cigarette Outlet Sample**

As some of you may be aware, Cigarettes Cheaper has decided to no longer allow CAPSTONE personnel to conduct audits in their stores effective with the March period. Cheapers is one of the larger CTS chains in the West/Midwest and is also a PM Exclusive account. Since there are no other Cigarette Outlets with similar profiles to use as surrogates for Cheapers, the volume for Cheapers CTS will also be removed from the MARLIN projections effective with March data. Net-net, for March forward, Cheapers CTS will no longer be in the MARLIN universe, similar to other "missing" outlets -- Sam's Clubs, Restaurants/Bars, Military, etc. We expect this change to result in a one-time share level disruption in Cigarette Outlets, Other Outlets, and All Outlets for some geographies.

Specific regions affected by this unavoidable sample change are:
Chicago
Houston
Seattle
N. Calif.
S Calif.

For two of the above regions (N. Calif. and Seattle), CO's are currently broken out separately in MARLIN. CO's in Seattle will continue to be reported as before. However, losing Cheapers results in a significant reduction in the CO sample in N. Calif. Effective with the March data load, N. Calif. CO's will no longer be available on the geography pick list.

Estimates of the impact on share levels in the affected regions have been developed and will be provided to appropriate RBM's.

We also expect a one-time share dislocation at the Total US level as Cheapers stores drop out of the CO sample. Shown below is the estimated impact on national shares in Cigarette Outlets and All Outlets:

Estimated Impact on Share Level
(Total US)

	CO	AO
Marlboro	-1.55	-0.13
PM FP	-1.82	-0.15
PM Sav	-0.10	-0.02
PM Tot	-1.92	-0.17
RJR FP	+0.35	+0.06
RJR Sav	+0.72	+0.05
RJR Tot	+1.07	+0.10
Ind FP	-1.47	-0.07
Ind Sav	+1.47	+0.07

Remember, this is a one-time share level adjustment -- trends should resume with April data. However, it is very important to use caution when assessing February to March performance in Cigarette Outlets, Other Outlets, and, to a lesser extent, All Outlets for certain geographies. Regions other than the five mentioned earlier will not be affected by the removal of Cheapers from the sample. Also, Supermarkets and Convenience/Gas are unaffected in the five regions as well as Total US.

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Source: https://www.industrydocuments.ucsf.edu/docs/rpvp0000